



PRESS RELEASE

Internal Revenue Service - Criminal Investigation *Chief Richard Weber*

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IRS – Criminal Investigation

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Michigan Owners of Sixteen Adult Foster Care Homes Indicted for Failure to Pay Employment Taxes

A federal grand jury returned an indictment on Oct. 19 and unsealed today, charging the owners of adult foster care homes located throughout Michigan with 60 counts of failing to account for and pay over employment taxes, announced Principal Deputy Assistant Attorney General Caroline D. Ciraolo, head of the Justice Department's Tax Division.

According to the indictment, Jeremiah and Nicolette Cheff of Grand Blanc, Michigan, controlled the financial and business operations of 16 foster care homes, including Hunter's Home, Nico's Place, Harmony Manor, Hilltop Estates and Deerwood Manor, which cared for individuals with mental illnesses and developmental and physical disabilities. It is alleged that from September 2010 through September 2014, the Cheffs withheld payroll taxes from their employees' paychecks, failed to timely file employment tax returns, and failed to pay over the funds they withheld to the Internal Revenue Service (IRS).

If convicted, the Cheffs face a statutory maximum penalty of five years in prison for each count charged in the indictment, as well as a period of supervised release and monetary penalties.

An indictment merely alleges that crimes have been committed and all defendants are presumed innocent until proven guilty beyond a reasonable doubt.

Principal Deputy Assistant Attorney General Ciraolo thanked special agents of IRS-Criminal Investigation, who conducted the investigation, and Trial Attorneys Jeffrey A. McLellan and Carl F. Brooker, IV of the Tax Division, who are prosecuting the case. Principal Deputy Assistant Attorney General Ciraolo also thanked the U.S. Attorney's Office for the Eastern District of Michigan for its substantial assistance.

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